ANNUAL REPORT

for the fiscal year
ending March 31, 1991

Nova Scotia
Farm Loan Board

ANNUAL REPORT

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Nova Scotia
Farm Loan Board

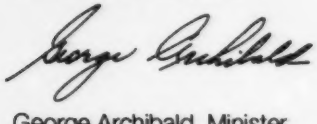
92-06765/

His Honour
The Honourable Lloyd R. Crouse
Lieutenant-Governor of the
Province of Nova Scotia

May It Please Your Honour,

I have the honour to submit the annual report of the Nova Scotia Farm Loan Board for the fiscal year ending March 31, 1991.

Respectfully submitted,



George Archibald, Minister
Department of Agriculture
& Marketing

The Honourable George Archibald
Minister of Agriculture & Marketing
Province of Nova Scotia
Halifax, Nova Scotia

Sir:

On behalf of the Nova Scotia Farm Loan Board, we have the honour of presenting the 59th annual report of the Nova Scotia Farm Loan Board covering the fiscal year ending March 31, 1991.

As required by Section 11 of the Agriculture and Rural Credit Act, 1967, this report contains a summary of Board activities and the audited financial statement.

Yours truly,

Robert G. Adams
Director

Lawrence Coldwell
Chairman

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THE NOVA SCOTIA FARM LOAN BOARD

Board Members

Chairman	Lawrence Coldwell
Vice-Chairman	John MacLean
Secretary to the Board	Robert G. Adams
Member	Gordon Creelman
Member	Casey Van De Sande
Member	Bill Swetnam

Principal Officers

Chief Executive Officer	Robert G. Adams, P.Ag., AACI
Loan Supervisor	Ralph Taylor, P.Ag., AACI
Loan Supervisor	David Arenburg, P.Ag.
Accountant	Michael Cassidy
Solicitor to Board	Attorney General
Auditor	Auditor General

Truro Office

Loan Officer	Derrick Jamieson, P.Ag.
Loan Officer	Ian Blenkharn, P.Ag.

Kentville Office

Senior Loan Officer	Allister Marshall, P.Ag.
Loan Officer	Wayne MacLeod, P.Ag.

Antigonish Office

Senior Loan Officer	Vernon Murray, P.Ag., AACI

DIRECTOR'S REPORT

It is with pleasure that I present this report as Chief Executive Officer of the Nova Scotia Farm Loan Board, having assumed responsibilities for this position in February 1990.

Mr. Arnold Rovers, formerly Chief Executive Officer of the Board and Director of Agriculture Development and Credit Services, was promoted to Executive Director of the Agriculture Development Division of the Department in February 1990 after having served 12 years in these positions. Through those years, the agriculture industry grew from an industry with farm gate sales of $157,823,000 in 1978 to $315,943,000 in 1990. The Nova Scotia Farm Loan Board's loan portfolio increased from $54,164,000 to $143,300,000 over that period. The Board and its staff wish to recognize with appreciation Mr. Rovers for his long service to the Board and the agriculture industry in that capacity.

Appreciation is also extended to Board member Mr. Gordon Creelman for his service to the Board since February 1982. Mr. Creelman completed two terms as a Board member.

In 1990, the Board welcomed the appointment of Mr. William Swetnam of Sheffield Mills, Kings County, to the Board. Mr. Swetnam operates a turkey, chicken broiler, and extensive vegetable and cropping program on his farm.

Confidentiality in its operation is paramount in the work of the Board. The Board, therefore, may not receive the recognition it deserves at times. The Board makes decisions with great care and consideration of the farmers whose lives they may affect, while keeping in mind their responsibility to assist in the development of the agriculture industry and to prudently and effectively use public funds.

Appreciation for their dedicated work is extended to the 1990 Board:

Lawrence Coldwell	Chairman
John MacLean	Vice-Chairman
Casey Van De Sande	Member
Bill Swetnam	Member
Gordon Creelman	Member

In 1990–1991, the Nova Scotia Farm Loan Board continued its long history of providing loan assistance and financial counselling to the farmers of the province.

The year was particularly busy for the Board and its support staff of the Land and Credit Services Branch of the Department of Agriculture and Marketing.

The Board was presented with a challenging situation at its first meeting of the fiscal year. At that meeting, loan requests of approximately $7.5 million were presented. This represented approximately 63 per cent of the 1990–1991 loan budget. Approximately $1.7 million of the requests were loans tabled at the last meeting of the previous fiscal year because its capital budget was fully committed.

The Board successfully met this challenge with the cooperation of farmers and their organizations.

In 1990, the Board was pleased that important communications were maintained with farmers. Both the Board and staff believe that dialogue is important for the successful operation of the Board and fulfillment of its mandate. The Board is pleased that farmers and their organizations regard it and its staff as available and anxious to discuss matters of common interest or concern.

In 1990, a review of its Group Life Insurance Policy was initiated by the Board. A report was commissioned and its recommendations were presented to the executive of the Federation of Agriculture for their review, comment, and assistance for implementing the recommendations.

The Board's loan portfolio continued to increase in 1990–91, totalling $148,204,000 at year end.

The government of Nova Scotia increased the Board's capital budget of $15 million with an additional appropriation of $1.5 million. This was in response to the very significant increase in demand for loans the Board had experienced early in 1990–91.

During the year the Board held nine meetings totalling 26 days and considered 513 reports, of which 227 were loan requests.

At the end of the year the Board's loan accounts in arrears increased marginally to 2.389 per cent, an increase of 0.28 per cent over the previous year. This increase was primarily attributable to the continued poor market prices of the fur and tree fruit sectors and to some extent crop losses in the vegetable industry. Some difficulties continued to be experienced by the hog industry; however, the number of accounts in arrears for this sector remained relatively unchanged from the previous year. The poultry and dairy industries remained the relative strengths of the agricultural economy. The livestock industry continued to expand and enjoyed higher prices over 1989.

Total farm debt in Nova Scotia for 1990 was not available at the time of preparation. In 1989 it was reported as $244,691,000 compared to 1988's total of $220,607,000. Through this period, 1988 through 1990, the Nova Scotia Farm Loan Board remained the primary creditor for Nova Scotia farmers with 64.4 per cent in 1988 and 56.5 per cent in 1989 of the total farm debt.

While the Canadian prime interest rate increased from 9.75 per cent in March 1988 through 13.5 per cent in 1989 and 14.25 per cent at March 1990, the Nova Scotia Farm Loan Board's interest rates remained unchanged at 8 per cent and 10 per cent providing stability to the financial requirements of farmers of this province.

In 1990–91 there were no foreclosures on Farm Loan Board accounts. During the year, two Farm Loan accounts voluntarily surrendered their property. There was one bankruptcy of a Farm Loan Board account. The Board regrets the financial difficulties encountered by these people; the Board acknowledges their cooperation in resolving their financial problems relative to their account with the Board.

The Board was required to foreclose on one Timber Loan account in 1990–1991.

Nova Scotia's agriculture industry is not isolated from the impact of external events, whether national or international. The decade of the 90s will bring important changes that will affect Nova Scotia farmers. Changes in supply and demand, consumer preferences and demands and life style, environmental factors, animal care and housing, support programs, CUSTA and GATT, and the new agricultural direction for Canada that will evolve from the Federal Agriculture Policy Review will challenge everyone involved with this industry. The Board remains committed to assist the industry and its farmers to meet future challenges and opportunities.

FARM LOAN BOARD PROGRAMS

LENDING PROGRAMS

The Nova Scotia Farm Loan Board provides direct loans to resident Nova Scotian farmers operating under single proprietorships, partnerships, or companies. Loans may be approved in one of three categories: Part Time, Commercial, or Timber.

Part Time

Loans of up to $45,000 are available to Part Time farmers at 10 per cent interest. A significant Part Time farm program commensurate with the size of the loan is a primary requirement. The maximum term of the loan is 20 years.

Commercial

Loans to Commercial farmers of up to $300,000 are available at 8 per cent interest on the first $150,000 and 10 per cent on the next $150,000. Loans in excess of $300,000 are available at prevailing interest rates with approval of the Board and Governor-in-Council. The maximum term is 30 years, although most loans are amortized for 20 years. Loans are primarily for farm purchase and capital development.

Commercial farms must achieve at least $10,000 in on-farm production or 50 per cent of the family's income from the farm. Loans must be financially sound units capable of supporting the farm family and servicing the farm debt from the farm program.

Timber

The Nova Scotia Farm Loan Board also sits as the Timber Loan Board to provide loans to mill operators for timber land acquisitions. Loans are available under the same terms as Commercial farm loans.

LAND PURCHASE AND LEASE PROGRAM

The Farm Loan Board administers a program of land acquisition and leasing of agricultural lands to farmers. Land acquisition proposals are

approved by the Land Purchase and Lease Committee, based on the appraised value of the land and other requirements outlined in the program. Lands acquired are available for lease with an option to purchase. Lease fees are 8 per cent of the initial acquisition costs plus taxes and fire insurance if applicable. The option to purchase may be exercised under specific conditions at the end of the five-year lease terms.

DIRECT ASSISTANCE PROGRAMS

Two financial assistance programs are administered by the Board:

Young Farmers Interest Forgiveness Policy

The Young Farmers Interest Forgiveness Policy is designed to encourage young farmers to acquire and develop a commercial farm. Assistance is based on the amount of interest charged on initial principal borrowings from the Nova Scotia Farm Loan Board or the Farm Credit Corporation for two years. The maximum assistance is $30,000 over two years.

The funds approved by the Board may be used to:

- provide equity contributions to assist in the purchase of a farm,
- delay or reduce payments based on cash flow, and/or
- provide funds for capital improvement projects to assist in farm development at the discretion of the Board.

Interest Subsidy Policy

The Interest Subsidy Policy provides for direct assistance to reduce interest payments by farmers. Assistance is based on 2.5 per cent of principal balance outstanding with the Farm Loan Board, the Farm Credit Corporation, or the Veteran's Land Act. The maximum assistance available is $1,250 per year per farm.

INDIRECT ASSISTANCE PROGRAMS

A counselling service is provided to evaluate farm development proposals or to review farm financial situations on existing operations. The establishment of effective lines of communication with the farming

clientele allows for a comprehensive analysis of financial projections and proposals. An advisory service is provided to farms in financial difficulty, including a review of historical conditions, an evaluation of the current situation, and projection of changes required, leading to financial improvement. These services are provided in close cooperation with the Farm Management Division and commodity specialists of the Department of Agriculture and Marketing.

BOARD OPERATION OVERVIEW

DIRECT LOANS

During its 59th year of operations, the Board met on nine occasions encompassing 26 days. Requests for funding increased substantially in 1990 to the extent the Board could not always fully fund loans requested. Loan approval increased by approximately 14 per cent over the 1989 total of approximately $13.9 million. A total of 223 loans, amounting to $15,866,356.88, were approved and accepted for 1990–91.

In addition to its loan function to agriculture and owners of forest product mills, staff administered policies of interest assistance to new and established commercial farmers and administered properties of the Land Purchase and Lease program. The administration of properties purchased under ARDA Project 22015 in the period of 1965–1971 was a continuing responsibility.

During the year under review, the Board approved and farmers accepted 68 new loans totalling $8,666,550. The new loans included 58 to commercial farmers and 10 to part time farmers.

The Board also approved and had accepted 155 additional loans to existing commercial farmers totalling $7,199,806.88. Additional loans were primarily for building construction, renovations, and additional land purchases.

Applications for 54 loans in the amount of $6,938,850 were rejected due to the inability of the applicants to meet the requirements of the Board. It should be noted, however, that of the 54, 13 later had a loan approved after they had reviewed their program and offered an acceptable alternative request or provided satisfactory answers to questions raised by the Board. This group had requested $3,274,000 in their original requests; the Board approved $2,277,378 on subsequent consideration. Thirteen loan requests totalling $1,705,268 were approved by the Board and later cancelled by the borrower prior to completion.

Total loans in effect decreased to 1,411 in 1990–91 from 1,427 the year before. This decrease in part reflected a consolidation, as more partnerships and family farm companies are being established and as existing farmers enlarge their units. To a lesser extent the decrease was

also attributable to the inability of the Board to meet the total demand for loans based on its budget.

Total payments on loans were $20,084,326 consisting of $9,458,288 principal and $10,626,038 in interest. An additional $523,277 was received in insurance premiums. Arrears continued to be a problem, although payments in arrears decreased to $2.6 million from $2.9 million, reflecting improvements in the farm economy and extensive efforts by staff in working with farms in financial difficulty.

TIMBER LOANS

The Board approved one loan application of $60,500 in this category. Thirty-nine Timber Loan category loans were outstanding in 1990–91 totalling $1,002,493.

Staff of the Farm Loan Board were responsible for administrative detail with respect to receiving applications, preparing documents, disbursing loans, and keeping loan records. Personnel of the Department of Lands and Forests carry out loan appraisals and prepare reports and provide recommendations. In addition, they supervise requests to cut forest products from land held as security for loans and establish stumpage rates for material removed.

FARM CONSOLIDATION AND LAND USE

In the period 1965 to 1970, under the terms and conditions of a joint Government of Canada–Province of Nova Scotia ARDA project, properties were purchased for leasing to enlarge commercial farm operations. The initial lease was for a term of five years, with the lessee having the option to purchase or renew the lease for a further five-year term. The administration of properties under lease is a continuing responsibility of the Board.

The Board issued 91 rental statements in October 1990. The balance outstanding on March 31, 1991, under this program was $312,248. Ten lessees exercised their option to purchase leased property in 1990–91.

LAND PURCHASE AND LEASE

The Nova Scotia Department of Agriculture and Marketing continued a program of land purchase and leasing, which was introduced in the 1974–75 fiscal year. The Farm Loan Board, at the request of the Land Purchase and Lease Committee, carries out the administrative details involved in the purchase and leasing of these properties. The maximum amount available for the acquisition of property for any farmer is $100,000.

Ten properties were purchased at a cost of $281,315 for the year in review. In total, 319 properties are currently held under the program. The current outstanding balance on the leased properties under this program is $9,053,849.

INTEREST SUBSIDY PROGRAM

The Board continued to maintain responsibility for the administration of the Interest Subsidy Program of the Nova Scotia Department of Agriculture and Marketing. During the year, 573 farmers were deemed eligible for $613,989 in assistance, for an average payment per farmer of $1,071.53.

BENEFIT TO YOUNG STARTING FARMERS

The program of granting two years' Interest Forgiveness to beginning farmers, introduced by the Department of Agriculture and Marketing in 1974–75 was continued in 1990–91.

Benefits in the amount of $372,211 were made to 34 applicants who qualified in the first year of the eligibility. As well, there were 32 qualified applicants in their second year of eligibility, and the benefit totalled $324,238 for a total benefit during the 1990–91 fiscal year of $696,449.

LIFE INSURANCE

The Farm Loan Board administers a life and disability group insurance for farmers. The policy is held with the Mutual Life Assurance Company of Canada. Total insurance in force at the end of 1990–91 was $114,625,447.

During the year five claims were approved by Mutual Life for total payments of $148,719.

BOARD STATISTICAL OVERVIEW

TABLE 1

NUMBER OF LOANS APPROVED BY COUNTY, 1990–91

County	New Loans				Additional Loans				Total Loans	
	#	Commercial	#	Part Time	#	Commercial	#	Part Time	#	Total
Annapolis	5	$248,150.00	1	$45,000.00	2	$55,250.00	0	---------	8	$348,400.00
Antigonish	1	252,000.00	2	70,400.00	10	443,300.00	0	---------	13	765,700.00
Cape Breton	3	397,000.00	0	---------	4	108,603.04	0	---------	7	505,603.04
Colchester	8	1,395,600.00	2	65,400.00	20	974,135.00	2	11,500.00	32	2,446,635.00
Cumberland	8	1,139,900.00	1	45,000.00	18	780,803.22	0	---------	27	1,965,703.22
Digby	3	73,850.00	0	---------	4	199,000.00	0	---------	7	272,850.00
Guysborough	0	---------	0	---------	1	20,000.00	0	---------	1	20,000.00
Halifax	3	305,500.00	0	---------	3	370,000.00	0	---------	6	675,500.00
Hants	8	1,530,900.00	1	45,000.00	24	1,087,031.99	0	---------	33	2,669,931.99
Inverness	1	252,000.00	1	45,000.00	7	149,289.77	0	---------	9	446,289.77
Kings	8	1,403,950.00	0	---------	31	1,918,173.01	0	---------	39	3,332,123.01
Lunenburg	1	45,000.00	1	35,600.00	5	321,000.00	0	---------	7	401,600.00
Pictou	7	1,022,800.00	1	45,000.00	21	627,401.26	0	---------	29	1,695,201.26
Queens	0	---------	0	---------	0	---------	0	---------	0	---------
Richmond	0	---------	0	---------	0	---------	0	---------	0	---------
Shelburne	0	---------	0	---------	1	24,319.59	0	---------	1	24,319.59
Victoria	1	166,500.00	0	---------	0	---------	0	---------	1	166,500.00
Yarmouth	1	37,000.00	0	---------	2	110,000.00	0	---------	3	147,000.00
Total Loans	**58**	**$8,270,150.00**	**10**	**$396,400.00**	**153**	**$7,188,306.88**	**2**	**$11,500.00**	**223**	**$15,866,356.88**
Timber Loan Board	**$ 60,500 (1)**		**Real Estate and Miscellaneous**	**$ 92,600 (3)**					**4**	**$153,100.00**
Total Loans, Timber Loan Board and Real Estate and Miscellaneous									**227**	**$16,019,456.88**

TABLE 2

NUMBER OF LOANS APPROVED, BY PURPOSE, 1990–91

Number of New Loans	68	= $8,666,550.00
Number of Additional Loans	155	= $7,199,806.88
Number of Timber Loans	1	= $ 60,500.00
Number of R.E. & Misc.	3	= $ 92,600.00

Purpose	**Amount**	**% of Total***
FARM LOANS		
New Loans		
Beef	981,000	6
Dairy	6,346,600.00	40
Hog	20,000.00	—
Poultry	536,500.00	3
Fruit/Vegetables	684,400.00	4
Fur	98,050.00	1
Additional Loans		
Other Livestock	12,000.00	—
Other Farm Buildings	1,897,884.23	12
Silo	362,200.00	2
Manure Storage	88,438.87	1
Land Purchase	1,929,384.82	12
Machine/Equipment	1,335,622.52	8
Quota	475,866.18	3
Indebtedness	1,098,410.26	8
Timber Loans	60,500.00	
Real Estate & Miscellaneous	92,600.00	
Total	**$16,019,456.88**	**100%**

*These percentages are calculated on the total value of farm loans, $15,866,356.88, which excludes the amount of $60,500 paid in Timber Loans and $92,600 paid in Real Estate and Miscellaneous

TABLE 3

OPERATIONS OF THE BOARD

1989–90 AND 1990–91

Loans

Description	1990–91 #	1990–91 Amount	1989–90 #	1989–90 Amount
Loan Accounts	1,411	137,168,086	1,427	131,159,573
ARDA Accounts	83	312,248	90	338,276
Land Bank Accounts	319	9,053,849	325	9,166,746
Timber Loan Accounts	39	1,002,493	51	1,188,606
Loans Approved	223	15,866,356	202	13,626,133
Loans Paid Off During Year	82		107	
ARDA Leases Issued	91		104	
ARDA Properties Purchased	8		10	
Land Bank Leases Issued	336		344	
Land Bank Properties Purchased	10	281,315	9	303,651
Timber Loan Board New Approvals	1	60,500	4	286,800
Farm Loans Rejected	54	6,938,850	32	2,977,650
Farm Loans Cancelled	13	1,705,268	4	233,800

Receipts

Description	#	Amount	#	Amount
Principal Payments		9,458,288		9,939,243
Interest Payments		10,626,038		10,804,289
Life Insurance		523,277		508,024
Rental & Miscellaneous Receipts		1,086,905		2,617,906
Arrears of Payments, March 31		3,276,559		2,757,496

Insurance

Description	1990–91 #	1990–91 Amount	1989–90 #	1989–90 Amount
Death and Disability Claims	5	148,719	2	45,568
Total Value of Life Insurance		**114,625,447**		**111,230,012**

Board

Description	#	Amount	#	Amount
Number of Board Meetings	9		10	
Number of Days	26		21	

Interest Subsidy Program

Description	#	Amount	#	Amount
Farm Loan Board	561	603,364	1,085	1,089,959
Farm Credit Corporation	11	10,105	80	51,547
Veteran's Land Act	1	520	4	387
Total	**573**	**613,989**	**1,169**	**1,141,893**

Establishing Farmer Program

Description	#	Amount	#	Amount
Farm Loan Board, 1st Year	34	372,211	32	321,915
Farm Loan Board, 2nd Year	32	324,238	30	292,012
Farm Credit Corporation, 1st Year	0	—	0	—
Farm Credit Corporation, 2nd Year	0	—	0	
Total	**66**	**696,449**	**62**	**613,927**

PROVINCE OF NOVA SCOTIA

NOVA SCOTIA FARM LOAN BOARD

FINANCIAL STATEMENTS

MARCH 31, 1991

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AUDITOR'S REPORT

To the Minister of Agriculture and Marketing; and

To the Chairman and Members of the
Nova Scotia Farm Loan Board

I have audited the balance sheet of the Nova Scotia Farm Loan Board as at March 31, 1991. This balance sheet is the responsibility of the Board's management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, this balance sheet presents fairly, in all material respects, the financial position of the Board as at March 31, 1991, in accordance with the accounting policies set out in Note 2 of the financial statements.

O.P. Cormier

O.P. Cormier, F.C.A.
Auditor General

Halifax, Nova Scotia
May 3, 1991

PROVINCE OF NOVA SCOTIA

NOVA SCOTIA FARM LOAN BOARD

BALANCE SHEET

AS AT MARCH 31, 1991

Assets

	1991	1990
Accounts receivable	$ 164 481	$ 100,665
Loans receivable (Note 3)	134,570,581	128,748,180
Real estate (Note 4)	10,234,164	10,318,899
	$144,969,226	**$139,167,744**

Liabilities

Reserve for future premium increase in borrowers' group life and disability insurance	$ 854,507	$ 768,432
Advance from Department of Finance	148,204,719	142,489,312
Less: Allowance for doubtful accounts	4,090,000	4,090,000
Net Advance	144,114,719	138,399,312
	$144,969,226	**$139,167,744**

APPROVED ON BEHALF OF THE BOARD

Chairman

Member

PROVINCE OF NOVA SCOTIA

NOVA SCOTIA FARM LOAN BOARD

NOTES TO BALANCE SHEET

MARCH 31, 1991

1. Authority

The Nova Scotia Farm Loan Board operates under the authority of the Agricultural and Rural Credit Act. The Board was established to increase agricultural activities in the Province by providing financial assistance to farmers.

2. Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles modified by the following policies.

Administrative Expenses, Interest Revenue and Expense

Administrative expenses of the Board, and the differential between capital advance interest charges from the Department of Finance and interest revenues earned on loans and leases are included in the records of the Department of Agriculture and Marketing.

Those amounts are not reflected in the attached balance sheet, nor is accrued loan interest receivable.

3. Loans Receivable

	1991	1990
Farm loans	$137,168,087	$131,159,574
Timber loans	1,002,494	1,188,606
	$138,170,581	**$132,348,180**
Less: Allowance for doubtful accounts		
Farm Loan Board accounts	3,600,000	3,600,000
	$134,570,581	**$128,748,180**

4. Real Estate — at cost

	1991	1990
Real estate being leased or held	$1,473,184	$1,445,980
Less: Allowance for doubtful Real Estate accounts	(490,000)	(490,000)
	983,184	955,980
Land bank	9,053,849	9,166,746
Land consolidation		
Agricultural Rural Development Agreement (ARDA)	312,249	338,276
Less: Federal Government share of cost of ARDA properties	(186,744)	(213,729)
Community pastures	71,626	71,626
	$10,234,164	**$10,318,899**

5. Commitments

As at March 31, 1991, the Board had authorized loans of $902,862 (1990 — $1,175,443) which had not been disbursed.

Schedule 1

PROVINCE OF NOVA SCOTIA

NOVA SCOTIA FARM LOAN BOARD

CONTINUITY OF LOANS RECEIVABLE

FOR THE YEAR ENDED MARCH 31, 1991

	1991	1990
Loans receivable		
Balance, beginning of year	$132,348,180	$126,497,175
Add: Advances made		
Farm loans	15,215,605	15,858,363
Timber loans	103,232	253,667
	15,318,837	**16,112,030**
Deduct: Payments received		
Farm loans	9,458,288	9,939,243
Timber loans	289,344	155,956
Transfers (to) from farm loans to (from) real estate	(251,196)	165,826
	9,496,436	10,261,025
Balance, end of year	138,170,581	132,348,180
Allowance for doubtful accounts		
Farm Loan Board accounts	3,600,000	3,600,000
Loans receivable, net of allowance	$134,570,581	$128,748,180